From: Globe Business
To: Heriberto Morales
Subject: Talking Points: Tech stocks tank, Fidelity"s tomato sale, the cost of lunch with Warren Buffett [Presented by Rockland Trust]
Date: Friday, June 09, 2017 4:33:39 PM

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Talking Points

Tech stocks get de-FANG-ed. Former Fidelity chief Ned Johnson had a

farm, sold it to people from Ontario. Ee-i-ee-i-oo. There's still time to get in on a private lunch with Warren Buffett. And Jon Chesto has an update on e-commerce companies' opposition to Massachusetts' tax on online sales. Here's Talking Points for Friday, June 9. Have a great weekend, and we'll see you on Monday!

Chesto Means Business

Tax revolt: It was only a matter of time before the Baker administration ended up in court over this one.

A group of e-commerce companies including Overstock.com and eBay has followed through on the threat that I wrote about on Wednesday: It has sued Governor Charlie Baker's revenue department over a mandate that would take effect on July 1.

The Baker administration wants to require online vendors above a certain size to collect the 6.25 percent state sales tax on purchases made by local buyers. State officials here have previously steered clear of trying something like this. Amazon has been collecting sales taxes here since 2013, but that's because it has a clear physical presence in Massachusetts: a robotics company, warehouses, engineers.

The Baker administration's new directive declares that dropping an app on a consumer's phone, sticking a cookie on a shopper's laptop, or using a computer server within the state's borders are enough of a nexus to merit the tax collection requirement.

NetChoice vehemently disagrees. In its lawsuit in Suffolk Superior Court, the trade group claims the directive violates a 1992 US Supreme Court decision known as "Quill" that requires an out-of-state seller to have a physical presence in a state to be responsible for sales tax collection.

But to Jon Hurst, president of the Retailers Association of Massachusetts, the change is long overdue. Technology to collect the sales tax today is affordable and easy to implement, Hurst says. These e-commerce businesses now have a 6.25-percent "government granted pricing advantage," he says, over the mom-and-pop retailers that Hurst represents.

But they might not have that advantage for much longer.

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Market Wrap

		Change
Dow Jones	21271.97	0.42%
S&P 500	2431.77	-0.08%
Nasdaq	6207.92	-1.80%
Mass. stocks*	737.26	-0.56%
10-year Treasury	2.206%	0.012
Nymex crude	$45.87	0.50%
Dollar index*	97.270	0.36%

* Bloomberg

Executive Summary

Bad day in tech land: They are sometimes called FANG -- Facebook, Apple, Netflix, and Google -- and these red-hot stocks and other tech companies have been driving the market. But today they sold off -- hard.

There was no specific news, just a creeping feeling that these stock had run too far, too fast.

The other Johnson family business: Backyard Farms, a tomato farm by Fidelity Investments, has been sold to a Canadian produce company, Mastronardi Produce of Ontario.

The story goes that former Fidelity chief Ned Johnson started the farm a decade ago out of an obsession with growing the perfect tomato.

Backyard grows millions of pounds of beefsteak, cocktail, and other tomatoes in the small mill town of Madison, Maine. They're sold

by Hannaford, Whole Foods, Wal-Mart, and other stores.

Terms of the deal have not been disclosed.

Twin River is a safe bet: A weekend sojourn to Twin River Casino is no longer a roll of the dice.

Casino management and the food service workers' union avoided a strike, allowing employees at the casinos 19 restaurants to continue working.

Talks came down to the final hand. The casino and Local 26 had been in talks since February, and the union authorized a strike if a deal wasn't done by 4 a.m. today. Terms of the deal weren't released.

He wants your lunch money: Want to have lunch at Smith and Wollensky with Warren Buffett? It'll cost you.

The chairman and CEO of Berkshire Hathaway is auctioning off a private lunch that will benefit the Glide Foundation, a San Francisco homeless charity. Bidding ends tonight.

Over 18 years, Buffet has raised nearly $24 million. Last year's winner paid about $3.5 million.

Hitting the switch: General Electric, which traces its roots to Thomas Edison, told workers Thursday it's exiting the light bulb business.

GE's interest in selling was reported in April, but CNN is reporting talks are finally underway. The Wall Street Journal reckons the lighting business could net $500 million.

A sale by Boston-based GE reflects its continued shift toward power turbines and health care equipment and away from consumer products.

Trending Pick

Can Uber get on track?: Harvard Business School professor Frances Frei talks about her task trying to fix embattled ride-hailing company's leadership problems.

Line Items

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Did retailers cause their own woes?:
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Apple CEO has message to MIT grads:
Technology must be used to help people -- Associated Press

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Where good execs reputations go to die -- New York Times

Beacon Hill considers pot sweetener:
Municipalities may get money to offset cost cannabis costs -- Boston Herald

ICYMI

Inside the huddle with TB12: Want to be a winner like New England Patriots quarterback Tom Brady? We've got you covered.

Brady and motivational speaker Tony Robbins yesterday led an all-day self-help summit at the Boston Convention & Exhibition Center. The Globe's Mark Arsenault attended (the ticket cost $316), and in this morning's Globe reported what it takes to have a championship life.

Success comes from a desire not to fail, Brady said: “I am very internally motivated. . . . If it isn’t perfect, I lose sleep. I threw an interception today [at the team’s minicamp]. I felt I let the team down.”

Julian Edelman, QB12's wide receiver and all-around bro, emphasized the importance of not having a life outside of work as his key. “There are so many things you have to sacrifice,” he says.

Then there's motivational speaker Dennis Cummins, who asked: "You can’t have your cake and eat it, too? What? What’s the purpose of cake?” Indeed, what is the purpose.

Talking Points newsletter is compiled by Edward Mason. Follow him on Twitter at @EBMason. If you liked what you've read, please tell your friends to sign up.

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